

APPLICANT: James F. Allsup
SERIAL NO.:
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EXAMINER: Alexander Kalinowski
DOCKET NO.: 7554
GROUP ART UNIT: 3626
FOR: Long Term Disability Overpayment Recovery Service With Post Award Service And Savings Program and Financial Assistance

Declaration of Scott Ritchie

I, Scott Ritchie, do hereby declare as follows:

1. My name is Scott Ritchie, and I reside at Portland OR.
2. I am making this declaration on behalf of James F. Allsup, the named inventor on the above-referenced patent application.
3. I am familiar with the long-term disability insurance industry and have worked in this industry for over 11 years.
4. From approximately 7/92 to the present, I have been employed by Standard Insurance Company.
5. My duties at Standard Insurance Company have included quality assurance, claim auditing, oversight of Social Security policy and procedure programs and benefit/resource team supervision
6. During my career at Standard Insurance Company I became aware of the necessity of recovering overpaid disability benefits from our insured.
7. It has been my experience that once our insured receives the SSDI payment, it is challenging for us to recover the overpaid amount. The insured

may be reluctant to repay the money to an insurance company. It has also been my experience that the process of pursuing recovery of LTD overpayments requires a great deal of communication and follow up on the part of claims handling staff. It is a labor intensive and time consuming process.

8. There is room for much improvement of overpayment collection processes within the long term disability insurance industry. For example, a process of recovering the overpaid amounts after the insured receives the retroactive SSDI benefit but before the insured spends the money or simply refuses to repay the overpaid benefits to his or her private insurance carrier would be of much value to our industry.

9. I have been familiar with Mr. Allsup's electronic overpayment recovery process since July 2001, when Standard Insurance Company retained Allsup, Inc. to recover overpaid benefits. Prior to that time, I knew of no other such service available to the long-term disability insurance industry.

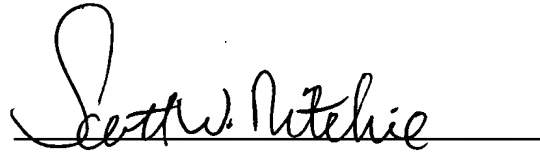
10. Once Standard Insurance Company retained Allsup, Inc. to employ its automated overpayment recovery service, it soon realized an increase in dollar amounts recovered and a decrease in time from the award of the SSDI benefit to the recovery of the overpaid amount.

11. It is my opinion that Mr. Allsup's automated overpayment recovery system helped improve our ability to recover overpaid monies owed to our company because it provides for pre-approved electronic recovery of the overpaid amount from a deposit account after the SSA deposits a benefit but before the insured

can spend the money or decide not to refund the overpaid amount to the insurance carrier.

12. It is my opinion that Mr. Allsup's automated overpayment recovery system met a need in the industry for increasing the amount of money recovered and decreasing the time of recovery.

I further declare under penalty of perjury pursuant to the laws of the United States of America that the foregoing is true and correct, and that this declaration was executed by me on February 12, 2004 at Portland, Oregon.

A handwritten signature in black ink, reading "Seth W. Ritchie", is written over a horizontal line.

Signature of Declarant